

1 [Accept and Expend Grant - California Department of Housing and Community Development -  
2 Affordable Housing and Sustainable Communities Program - Potrero Block B - \$29,829,178]

3 **Resolution authorizing the Mayor’s Office of Housing and Community Development**  
4 **(“MOHCD”) to execute the Standard Agreements with the California Department of**  
5 **Housing and Community Development (“HCD” or “Department”) under the Affordable**  
6 **Housing and Sustainable Communities Program for a total award of \$29,829,178**  
7 **including \$20,000,000 disbursed by HCD as a loan to the Potrero Housing Associates II,**  
8 **L.P. for a 100% affordable housing project at 1801-25th Street and \$9,829,178 to be**  
9 **disbursed as a grant to the City for public transportation improvements near 1801-25th**  
10 **Street, for the period starting on the execution date of the Standard Agreements to**  
11 **June 30, 2041; authorizing MOHCD to accept and expend the grant of up to \$9,829,178**  
12 **for transportation, streetscape and pedestrian improvements and other transit oriented**  
13 **programming and improvement as approved by HCD, to commence following Board**  
14 **approval.**

15  
16 WHEREAS, The State of California, the Strategic Growth Council (“SGC”) and the  
17 Department of Housing and Community Development (“Department”) issued a Notice of  
18 Funding Availability (“NOFA”) dated November 1, 2019, under the Affordable Housing and  
19 Sustainable Communities (“AHSC”) Program established under Division 44, Part 1 of the  
20 Public Resources Code commencing with Section 75200; and

21 WHEREAS, The SGC is authorized to approve funding allocations for the AHSC  
22 Program, subject to the terms and conditions of the NOFA, AHSC Program Guidelines  
23 adopted by SGC on October 31, 2019 (“Program Guidelines”), an application package  
24 released by the Department for the AHSC Program (“Application Package”), and an AHSC  
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1 standard agreement with the State of California (“Standard Agreement”), the Department is  
2 authorized to administer the approved funding allocations of the AHSC Program; and

3 WHEREAS, The AHSC Program provides grants and loans to applicants identified  
4 through a competitive process for the development of projects that, per the Program  
5 Guidelines, will achieve greenhouse gas reductions and benefit disadvantaged communities  
6 through increased accessibility to affordable housing, employment centers and key  
7 destinations via low-carbon transportation; and

8 WHEREAS, The AHSC Program requires that joint applicants for a project will be held  
9 jointly and severally liable for completion of such project; and

10 WHEREAS, Potrero Housing Associates, L.P., a California limited partnership  
11 (“Developer”), requested that the City and County of San Francisco (the “City”), acting by and  
12 through Mayor’s Office of Housing and Community Development (“MOHCD”), be a joint  
13 applicant for AHSC Program funds for its project located at 1801-25th Street consisting of new  
14 construction of a 157-unit 100% affordable multifamily rental housing development affordable  
15 to low-income households, with 117 units set aside for HOPE SF resident replacement units,  
16 and 6,203 sq. ft of commercial space, with an early childhood education center and adjacent  
17 mini park (the “Project”) identified as Potrero Block B (the “Potrero Block B”); and

18 WHEREAS, The San Francisco Municipal Transportation Agency (“SFMTA”) plans to  
19 perform transportation, bicycle and pedestrian improvements in the vicinity of the Project (the  
20 “SFMTA Work”); and

21 WHEREAS, On January 31, 2017, by Ordinance No. 19-17, the Board of Supervisors  
22 made findings under the California Environmental Quality Act (Public Resources Code,  
23 Sections 21000 et seq.) and findings of consistency with the General Plan, and the eight  
24 priority policies of Planning Code, Section 101.1, which Ordinance is on file with the Clerk of  
25 the Board of Supervisors in File No. 161308 and is incorporated herein by reference; and

1           WHEREAS, On January 14, 2020, the Board of Supervisors authorized MOHCD to  
2 apply for AHSC Program funds and submit an Application Package as a joint applicant with  
3 the Developer through Resolution No. 22-20; and

4           WHEREAS, SFMTA and MOHCD entered into a Memorandum of Understanding to  
5 make commitments on behalf of the City for the Application Package; and

6           WHEREAS, Through an award letter dated July 20, 2020, the Department made an  
7 award in the total amount of \$29,829,178, which includes \$20,000,000 to be disbursed by  
8 HCD as a loan to the Developer for the Project, and up to \$9,829,178 to be disbursed as a  
9 grant to the City for the SFMTA Work and other transit-oriented programming and  
10 improvements approved by HCD, subject to the terms and conditions of the STD 213,  
11 Standard Agreement (“Standard Agreement”), a copy of which is on file with the Clerk of the  
12 Board of Supervisors in File No. 191292; now, therefore, be it

13           RESOLVED, That the Board of Supervisors approves and authorizes the MOHCD to  
14 enter into the Standard Agreements with the Department, with terms and conditions that  
15 AHSC Program funds are to be used for allowable capital asset project expenditures identified  
16 in Exhibit A; and, be it

17           FURTHER RESOLVED, That the Board Supervisors authorizes the City to accept and  
18 expend the grant funds disbursed under the Standard Agreement; and, be it

19           FURTHER RESOLVED, That the Board of Supervisors authorizes the Director of  
20 MOHCD (or his designee) to execute and deliver any documents in the name of the MOHCD  
21 that are necessary, appropriate or advisable to accept and expend the AHSC Program funds  
22 from the Department, and all amendments thereto, and complete the transactions  
23 contemplated herein and to use the funds for eligible capital asset(s) in the manner presented  
24 in the application as approved by the Department and in accordance with the NOFA and  
25 Program Guidelines and Application Package; and, be it

1           FURTHER RESOLVED, That all actions authorized and directed by this Resolution and  
2 heretofore taken are ratified, approved and confirmed by this Board of Supervisors; and, be it

3           FURTHER RESOLVED, That within thirty (30) days of the Standard Agreement being  
4 fully executed by all parties, MOHCD shall provide the final agreement to the Clerk of the  
5 Board for inclusion into the official file.

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1 Recommended:

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3 /s/  
Eric D. Shaw, Director  
4 Mayor's Office of Housing and Community Development

5 Approved:  
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7 /s/  
London N. Breed, Mayor

/s/  
Ben Rosenfield, Controller

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